

EVERETT CITY COUNCIL AGENDA ITEM COVER SHEET

PROJECT TITLE:

Professional Services
 Agreement with Public Safety
 Testing Investigations for
 Background Investigations of
 Firefighter Candidates

| | |
|--------------|-----------------|
| _____ | Briefing |
| _____ | Proposed Action |
| _____ | Consent |
| <u> X </u> | Action |
| _____ | First Reading |
| _____ | Second Reading |
| _____ | Third Reading |
| _____ | Public Hearing |
| _____ | Budget Advisory |

| | |
|------------------------|-------------------|
| COUNCIL BILL # | _____ |
| Originating Department | Human Resources |
| Contact Person | Sharon DeHaan |
| Phone Number | 425-257-8685 |
| FOR AGENDA OF | November 30, 2016 |

Initialed by:
 Department Head
 CAA
 Council President

[Signature]

| | | | |
|------------------------|--------------------------------|---------------------------------|--------------------------------------|
| <u>Location</u> | <u>Preceding Action</u> | <u>Attachments</u> | <u>Department(s) Approval</u> |
| | | Professional Services Agreement | Legal, Fire, Human Resources |

| | | |
|----------------------|---------------------------------------|----------------------------------|
| Amount Budgeted | Approx. \$1,177-\$2,034 per candidate | Account Number: 032-520-0000-410 |
| Expenditure Required | Approx. \$1,177-\$2,034 per candidate | |
| Budget Remaining | -0- | |
| Additional Required | -0- | |

DETAILED SUMMARY STATEMENT:

Public Safety Testing (PST) Investigations is a third-party vendor that conducts background investigations for numerous jurisdictions in Washington State. The Everett Fire Department requires the services of PST Investigations to conduct background investigations for prospective Firefighter applicants on an ongoing, as-needed basis. Neither the Fire Department nor the Human Resources Department currently has available staff to conduct the in-depth background investigations needed for prospective Firefighters.

RECOMMENDATION (Exact action requested of Council):

Authorize the Mayor to sign the Professional Services Agreement with Public Safety Testing Investigations for background investigations of Firefighter candidates in the approximate amount of \$1,177-\$2,034 per candidate.



PROFESSIONAL SERVICES AGREEMENT

WHEREAS, *PST Investigations* is a skilled provider of pre-employment background investigations, workplace investigations and other services to public agencies and political subdivisions, and

WHEREAS, the Client agency ("Client"), conducts background investigations for firefighters and other public safety positions, and

WHEREAS, the Client desires to contract for new or additional services as set forth herein, NOW, THEREFORE

PST Investigations, a division of *Public Safety Testing, Inc.*, (the "Contractor") and the City of Everett, Washington (the "Client"), do enter into this Agreement under the terms and conditions set forth herein.

1. Description of Basic Services. The Contractor will provide or coordinate independent service providers to perform the following services to the Client, on its request and at its direction:
 - 1.1 Background Investigation and Report. This service is described on the attached Exhibit A, incorporated by this reference as fully as if herein set forth.
 - 1.2 The Client requires the candidate to submit a financial credit report as part of his/her background investigation.
 - 1.3 The estimated annual salary (plus anticipated overtime, but without benefits) for this position is below \$75,000.
 - 1.4 The background investigations will be conducted in accordance with the scope of work in Exhibit A, which is attached hereto and incorporated herein by reference.
2. Professional Fees. The professional fees for Contractor or independent service provider are stated in Exhibit A, which is attached hereto and incorporated herein by reference.

- 2.1 Under the Fair Credit Reporting Act, applicants are entitled to dispute the completeness or accuracy of any item in their file. If this occurs, Contractor will conduct a reasonable reinvestigation at no charge to the Client if the disputed information was originally reported by the Contractor.
- 2.2 Contractor will invoice Client following completion of described services on behalf of Contractor or an independent service provider. Client will make payment within 30 days of receipt of invoice.

3. Warranties and Reservations

- 3.1 Each service provided pursuant to this agreement shall be conducted and provided in accordance with generally accepted practice in the relevant industry. Contractor shall comply with state and federal statute. No other warranty, express or implied, is provided by Contractor.
- 3.2 The Contractor shall maintain complete written records of its files pertaining to candidates for two years following the background check, in accordance with the Fair Credit Reporting Act statute of limitations. The Contractor expressly agrees and warrants that all tests and written materials utilized have been acquired by the Contractor in accordance with the appropriate copyright agreements and laws and that it has a valid right to use and administer any written materials and tests in accordance with such agreements and laws.

4. Certifications.

- 4.1 Consumer Reports. The Client is aware that the Fair Credit Reporting Act applies to background checks conducted by third party investigators. Therefore, in accordance with the Fair Credit Reporting Act, Client makes the following certifications to Contractor:

4.1.1. Client certifies that it seeks the information contained in the background check provided by Contractor for employment purposes.

4.1.2. Client further certifies that Client will not use the background check for any purpose except for employment purposes.

4.1.3. Client also certifies that before taking an adverse action based in whole or in part on the background check, Client shall provide to the candidate a copy of the background check report and a description in writing of the rights of the candidate under the Fair Credit Reporting Act, as written by the Federal Trade Commission. Contractor will provide a copy of the candidate's rights under the Fair Credit Reporting Act at the time the background check is provided to Client.

4.1.4. Client is further required to certify that prior to procuring a background check from Contractor, Client will (a) make a clear and conspicuous disclosure in writing to the candidate for employment, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes, and (b) obtain from the candidate for employment an authorization in writing that Client may procure a background check. However, Contractor shall act as Client's agent for purposes of making this disclosure and obtaining the candidate's authorization. Both the disclosure and authorization will be made and obtained during the candidate's application process with Contractor.

4.2 Investigative Consumer Reports. The Client is aware that an "investigative consumer report" means a background check in which information on the candidate's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with neighbors, friends, or associates of the candidate or with others with whom he or she is acquires or who may have knowledge concerning any such items of information. If Client has requested such interviews to take place, Client makes all of the certifications contained in Section 4.1 above and the following additional certifications:

4.2.1. Client certifies that it will comply with Section 606(b) of the Fair Credit Reporting Act, which provides that the Client shall, upon written request made by the candidate within a reasonable period of time after the receipt of the disclosure made pursuant to Section 4.2.2 below, make a complete and accurate disclosure of the nature and scope of the investigation requested. This disclosure must be made in a writing mailed, or otherwise delivered, to the consumer not later than five days after the date on which the request is received.

4.2.2. Client is further required to certify that it has clearly and accurately disclosed to the candidate that an investigative consumer report including information as to his character, general reputation, personal characteristics and mode of living, whichever are applicable, may be made and that such disclosure has been or will be delivered to the candidate not later than three days after the date on which the report was first requested. Client further certifies that the disclosure will include a statement informing the consumer of his right to request the additional disclosures provided under Section 606(b) of the Fair Credit Reporting Act. However, Contractor shall act as Client's agent for purposes of making this disclosure. The disclosure will be made during the candidate's application process with Contractor.

5. Independent Contractor. The Contractor is an independent contractor. Any and all agents, employees or contractors of the Contractor, shall have such relation only with the Contractor. Nothing herein shall be interpreted to create an employment, agency or contractual relationship between the Client and any employee, agent or sub-contractor of the Contractor.

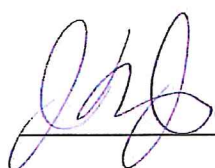
6. Indemnity and Hold Harmless. The parties agree and hold harmless each other, their officers, agents and employees in accordance with the following provisions:
- 6.1 The Contractor shall indemnify the Client from:
- 6.1.1 Violation of any copyright agreement or statute relating to the use and administration of the tests or other written materials herein provided for;
- 6.1.2 Any cost, claim or liability arising from or out of the claims of an employee, agent or sub-contractor to the end that the Contractor shall be an independent Contractor and the Client shall be relieved of any and all claims arising from or relating to such employment relationships or contracts between the Contractor and third parties;
- 6.1.3 The alleged negligent or tortious act of the Contractor in the provision of services under this Agreement.
- 6.1.4 Any claim or charge incurred relating to a charge paid by Client pursuant to Section 2.3 of this Agreement.
- 6.2 The Client shall indemnify and hold harmless the Contractor, its officers, agents and employees from any and all cost, claim or liability arising from or out of the alleged negligent or tortious act of the Client or its officers, agents or employees in the provision of services hereunder.
- 6.3 The promises of the Client and Contractor shall include the reasonable cost of legal defense by counsel chosen by the mutual agreement of the parties hereto but shall exclude any cost, claim or liability arising from breach of this Agreement or from the negligent or tortious act of the party seeking indemnity, its officers, agents and/or employees.
7. Termination. The Contractor and the Client may withdraw from this Agreement at any time for any reason with 30 days written notice, provided, however, that the provisions of paragraphs 3.2 shall remain in full force and effect following the termination of this Agreement with respect to, and continuing for so long as the consent of the applicant tested by the Contractor remains in effect.
8. Entire Agreement, Amendment. This is the entire Agreement between the parties. Any prior agreement, written or oral, shall be deemed merged with its provisions. This Agreement shall not be amended, except in writing, at the express written consent of the parties hereto.

This Agreement is dated this _____ day of _____, 2016.

CITY OF EVERETT, WA

**PST INVESTIGATIONS
PUBLIC SAFETY TESTING, INC.**

By: _____

By:  October 25, 2016

Print: _____

Print: Jon F. Walters, Jr.

Its: _____

Its: President

Point of Contact: _____

Josh Sapien / Jon Walters

Title: _____

PST Investigations

Address: _____

20818 – 44TH Ave W, Suite 160

City/State/Zip: _____

Lynnwood, WA 98036

Telephone: _____

425.741.8872 / 425.776.9615



BASIC PRE-EMPLOYMENT BACKGROUND INVESTIGATIONS

SCOPE OF WORK

1. PST meets with department to discuss/finalize scope of work, important attributes to screen for, etc.
2. Candidate completes Personal History Statement; notarizes signatures; completes necessary waiver and notification forms. PST reviews information provided; PHS, etc.
3. PST conducts public records/data checks
 - Public Records Check
 - Criminal history conviction information
 - Pending convictions and/or outstanding warrants
 - Federal Court Check
 - Sex Offender Registration
 - Credit Check (if required)/Prior Address History
 - SSN Verification
 - Education Verification
 - Department of Licensing Records (driver's license) (may be submitted by candidate)
4. PST conducts internet research/data mining
5. Personal History Questionnaire (PHQ)
6. One-on-one comprehensive in-person interview with the candidate.
7. Telephonic interview of significant references (approx. 7-12 telephonic interviews). May conduct in-person interviews as requested by client agency, including current employer, co-workers, etc.
8. Interview second tier & developed references as necessary
9. Summary report to the agency
 - Summary of interviews
 - Findings
 - Records check reports
 - Personal History Statement
 - Personal History Questionnaire Report
 - Supporting Documents, Certificates

CONSIDERATIONS

- Agency will provide PST with any relevant information on each candidate, such as a copy of the Agency's employment application completed by the candidate, waivers, special requests, etc.
- Please be aware that the Fair Credit Reporting Act applies to background investigations conducted by third party investigators and that a candidate may have access to certain reports/records generated if an adverse employment decision is made based on the reports/records. In addition, as a third party investigator, the FCRA prohibits PST from reporting certain adverse information beyond 7 years (for positions with an annual salary under \$75,000).
- PST is a licensed Private Investigator Agency with the State of Washington.
- PST personnel have extensive background investigation and/or law enforcement investigative experience. PST investigators are WA licensed private investigators.
- PST will contact the Agency at any point during a candidate's background investigation when potentially disqualifying information is obtained. The Agency will advise PST on how to proceed at that point.

FEES

- Records/data checks @ \$60 per candidate. Records/data checks for candidates that reside or have resided outside of the State of Washington may be higher, depending on the State. Education Verification report @ \$15-60
- Investigative, interviews, administrative and follow-up work @ \$58 per hour (management/executive level @ \$74 per hour).
- Reimbursement for reasonable & necessary expenses related to travel, lodging, per diem, etc. with prior approval from Agency.

| ESTIMATED PER-CANDIDATE COSTS** | | | |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|
| ACTIVITY | NOTES | APPROX TIME | APPROX COST |
| Personal History Statement | Completed by candidate via secured website | | |
| Public Records Check | Criminal History, Pending convictions, Prior Address, Credit, SSN Verification, Sex Offender, Civil, etc | | \$60 |
| | Education Verification Report | | \$15-60 |
| Personal History Questionnaire | Self-reporting; completed at PST office; report generated | | |
| Candidate Interview | Face-to-face; conducted at PST office | 3 - 6 hours – includes prep time; doc review; notes; interview | \$174 - \$348 |
| Reference Interviews | Conducted on significant references noted (e.g., prior employers, supervisors, etc.) 6-10 references contacted. May be via phone and/or in person per client | 10 – 16 hours | \$580 - \$928 |
| Reports | Summary Report; Copy of records checks; Personal History Statement; Copy of PHQ Report; | 3 – 6 hours | \$174 - \$348 |
| Administrative | Appointment coordination; scheduling, logistics, phone, reproduction, report review, etc. | 3 – 5 hours | \$174 - \$290 |
| | Total “staff hours” per candidate | 19 - 33 hours | \$1,102-\$1,914 |
| Records checks & Education Verification | | | \$75-\$120 |
| TOTAL PER CANDIDATE | | \$1,177-\$2,034** | |
| OPTION: Pre-Offer EyeDetect Lie Detection Screening | | \$125-150 | |
| OPTION: Polygraph Examination | | \$280 | |

**Evaluation of a “typical” background inquiry based on described scope of work. The actual time/cost will vary with each candidate. For example, one candidate may reveal a disqualifying issue very early in the process; whereas another candidate may require additional investigative time to fully research an issue in their background.